UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21988
13 December 1990

ORIGINAL: ENGLISH

Canada, Colombia, Finland, United Kingdom of Great Britain and Northern Ireland and Zaire: draft resolution

The Security Council,

Recalling its resolution 186 (1964) establishing the United Nations Peace-keeping Force in Cyprus (UNFICYP) for an initial period of three months,

Also recalling its subsequent resolutions extending the stationing in Cyprus of UNFICYP, most recently its resolution 657 (1990),

Reaffirming the statement of the President of the Security Council of 30 May 1990 (S/21323) in which its members emphasized that United Nations peace-keeping operations must be launched and maintained on a sound and secure financial basis,

Concerned about the chronic and ever-deepening financial crisis facing UNFICYP as described in the report of the Secretary-General (S/21981) and as expressed in the statement of the President of the Security Council of 15 June 1990 (S/21361),

1. Decides that effective 15 June 1991 the future costs for which the United Nations is responsible of the United Nations Peace-keeping Force in Cyprus (UNFICYP) shall be considered as expenses of the Organization to be borne by Members in accordance with Article 17, paragraph 2, of the Charter.

90-35445 2373E (E)

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21988/Rev.1
18 December 1990

ORIGINAL: ENGLISH

Canada, Colombia, Finland, United Kingdom of Great Britain and Northern Ireland and Zaire: revised draft resolution

The Security Council,

Recalling its resolution 186 (1964) establishing the United Nations Peace-keeping Force in Cyprus (UNFICYP) for an initial period of three months,

Also recalling its subsequent resolutions extending the stationing in Cyprus of UNFICYP, most recently its resolution 680 (1990),

Reaffirming the statement of the President of the Security Council of 30 May 1990 (S/21323) in which its members emphasized that United Nations peace-keeping operations must be launched and maintained on a sound and secure financial basis,

Concerned about the chronic and ever-deepening financial crisis facing UNFICYP as described in the report of the Secretary-General (S/21981) and as expressed in the statement of the President of the Security Council of 15 June 1990 (S/21361),

1. Decides to examine the method of financing of the United Nations Peace-keeping Force in Cyprus (UNFICYP), bearing in mind the financial crisis facing UNFICYP and the report of the United Nations Secretariat Review Team of 7 December 1990 (S/21982), with a view to reaching agreement by 15 June 1991 on alternative arrangements for meeting the costs of UNFICYP for which the United Nations is responsible;

2. Further decides that, if by 15 June 1991 no agreement has been reached on these alternative arrangements, the future costs for which the United Nations is responsible of UNFICYP shall be considered as expenses of the Organization to be borne by Members in accordance with Article 17, paragraph 2, of the Charter.

90-36249 2479E (E)

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21988/Rev.2
21 December 1990

ORIGINAL: ENGLISH

Revised draft resolution

The Security Council,

Recalling its resolution 186 (1964) of 4 March 1964 establishing the United Nations Peace-keeping Force in Cyprus for an initial period of three months,

Also recalling its subsequent resolutions extending the stationing in Cyprus of the United Nations Peace-keeping Force in Cyprus, most recently its resolution 680 (1990) of 14 December 1990,

Reaffirming the statement of the President of the Security Council of 30 May 1990, 1/ in which the members emphasized that United Nations peace-keeping operations must be launched and maintained on a sound and secure financial basis,

Concerned about the chronic and ever-deepening financial crisis facing the United Nations Peace-keeping Force in Cyprus, as described in the report of the Secretary-General 2/ and as expressed in the statement of the President of the Security Council of 15 June 1990, 3/

1. Decides to examine the problem of the costs and financing of the United Nations Peace-keeping Force in Cyprus, bearing in mind the financial crisis facing the Force and the report of the United Nations Secretariat Review Team of 7 December 1990, 4/ in all its aspects, and to report by 1 June 1991 on alternative arrangements for meeting the costs of the Force for which the United Nations is responsible, in order to place the Force on a sound and secure financial basis;

1/ S/21323.

2/ S/21981 and Add.1.

3/ S/21361.

4/ S/21982.

READEX FICHE

2. Also decides to consider, not later than early June 1991, comprehensively and favourably the results of the examination mentioned in paragraph 1 of the present resolution, with a view to putting into effect an alternative method of financing the United Nations Peace-keeping Force in Cyprus, which could, inter alia, include the use of assessed contributions, simultaneously with the extension of the mandate on or before 15 June 1991.

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21989
8 December 1990
ENGLISH
ORIGINAL: ARABIC

LETTER DATED 8 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF THE LIBYAN ARAB JAMAHIRIYA TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

On instructions from my Government, I have the honour to request an emergency meeting of the Security Council to consider the United States Government's action in abducting Libyan prisoners of war in Chad. This constitutes a violation of international law and of the Geneva Convention relative to the Treatment of Prisoners of War. It also represents a violation of the security and sovereignty of an independent State, and a threat to international peace and security.

(Signed) Ali A. TREIKI
Permanent Representative

90-34695 1977f (E)

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21990
8 December 1990

ORIGINAL: ENGLISH

LETTER DATED 7 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF ROMANIA TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

I have the honour to refer to document S/21643 dated 27 August 1990, containing the text of the memorandum of the Romanian Government on the economic and financial impact on Romania resulting from the imposition of restrictions in its economic relations with Iraq and Kuwait.

In connection with that issue and upon instructions of my Government I enclose herewith a further memorandum concerning the negative consequences of the Gulf crisis and implementation of Security Council sanctions against Iraq on the Romanian economy.

I would appreciate very much if you circulated the present letter and the attached memorandum to the members of the Security Council in accordance with Article 50 of the Charter of the United Nations.

(Signed) Aurel Dragos MUNTEANU
Ambassador
Permanent Representative of Romania

Annex

Memorandum concerning the negative consequences of the Gulf Crisis and the implementation of Security Council sanctions against Iraq on the Romanian economy

The position of Romania on the aggression of Iraq against Kuwait and its annexation has been made clear on many occasions. Romania presided over the meeting of the Security Council that approved the resolution condemning this aggression and subscribes fully to the action of imposing comprehensive sanctions against Iraq. The Romanian Government is actively committed to the efforts of the United Nations and the international community to solve the crisis in the Gulf.

The devastating implications for the Romanian economy as a result of the scrupulous implementation of the sanctions have been brought to the attention of the international community on numerous occasions (see, for example, S/21643).

Romania has presented elaborate documentation to the Security Council Committee established by resolution 661 (1990) on the damage inflicted upon it. However, the Government of Romania wishes to highlight some important aspects of the situation and to present additional information in this respect.

The decision to follow the strict enforcement provided by resolution 661 (1990) and the fact that Romania ceased all trade exchanges and co-operation projects with Iraq had ample effects on the Romanian economy, at present in full transition towards a free-market economy.

The total direct effects of this measure amount to losses and additional expenses of $2.9 billion under the following headings:

(a) $1.7 billion representing the total debt of Iraq to Romania, which Iraq had undertaken to meet by oil deliveries at $18 a barrel, which have been discontinued;

(b) $46.1 million representing the goods specially produced for Iraqi end-users as well as for occupied Kuwait, which cannot be exported to other destinations;

(c) $142.6 million representing the value of the construction works and relevant technical assistance that were interrupted in respect of projects being built in Iraq;

(d) $64.7 million representing the value of the equipment and material left behind at Iraqi sites;

(e) $200.6 million representing bank guarantees and assets in blocked accounts;

(f) $746 million representing the unfavourable differences of the increased prices at which the crude oil has been imported between August 1990 and the end of 1990 as against the Iraqi offered prices previous to the Gulf crisis ($18 a barrel).

All these direct effects of $2.9 billion represent almost one third of the total Romanian trade exchanges in hard currency for 1989 and lead to a negative impact on the Romanian gross national product (GNP) of 14 per cent.

To these direct losses, one must add indirect and other effects deriving from enforcing the embargo that are not included in the $2.9 billion mentioned above:

(a) Before 1 August 1990 a number of negotiations were going on concerning exportation of goods and setting up of economic projects in Iraq totalling $500 million, negotiations which were stopped and which negatively affect the order-books of the factories involved;

(b) At the same time, the application of the embargo on importations of Iraqi oil have led to losses of refining capacities of $60 million for the current year;

(c) Also, the repatriation and reintegration of the Romanian personnel withdrawn from Iraq has cost Romanian companies $16 million;

(d) Finally, stopping deliveries of goods to Iraq by certain Romanian factories specialized for this destination, such as textile plants, ready-made garments, footwear, electro-technical equipment and tools, lead to internal socio-economic consequences (strikes, unemployment, inflationary pressures).

All these negative effects add to the already very difficult economic situation of Romania.

Between 1 January and 30 September 1990 Romania registered a deterioration of national income formation activities in absolute terms, reflected in a 27.7 per cent drop in net industrial production, i.e., in added value.

Electricity consumption per net production index (kilowatt hour/1,000 lei) increased by 23.7 per cent.

Productivity in all-country industry in terms of commodity production dropped by 22.8 per cent.

The rising money incomes of the population put the purchasing power of the leu under greater real pressure. So, for instance, on 1 January 1990 for 1 leu in circulation there were 19 bani worth of commodities, while now there are only 14 bani worth of commodities, with prices and tariffs rising by just 2.2 per cent; if the present trend is maintained, a 10-bani level may be reached, and this is in effect an inflationist trend.

Another unfavourable situation is that of the investments in the first nine months, which are 23.1 per cent below what was planned and 44.6 per cent below last year's level.

Therefore, it would not be exaggerated to estimate that Romania was one of the countries most heavily stricken by the imposition of sanctions.

The losses in 1991 are expected to be even more substantial. Of particular concern is the oil shortage that will place the economy of Romania in an extremely difficult energy situation in the coming winter.

Even for the month of December there is not a satisfactory balance.

Finally, due account should be taken of the almost total depletion of the national foreign currency reserves. The exports of Romania are only 54 per cent or so of last year's performance, which make imports of energy resources practically impossible.

Ahead of the country there are two winter quarters, and a trade deficit in the range of $1.2 billion per quarter is expected.

The energy situation has a very negative impact on every sphere of industry, resulting in a reduction or halting of production lines, transportation irregularities and supply shortages. The increase in consumer prices exacerbates the already strained social and political atmosphere in the country.

The economic problems that Romania is facing are so profound that they might cause political instability and endanger the very process of transition towards democracy and a market economy.

Romania has accepted all these negative effects of the embargo decided by the Security Council in the earnest wish of supporting - in compliance with the principles and norms unanimously accepted in international law - the resolution of the grave situation in the Gulf.

In spite of the difficulties that it is facing, Romania is committed strictly to observing and implementing in the future too the provisions of the Security Council resolutions.

UNITED
NATIONS

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General Assembly Security Council

Distr.
GENERAL

A/45/834
S/21991
9 December 1990
ENGLISH
ORIGINAL: ARABIC

GENERAL ASSEMBLY
Forty-fifth session
Agenda item 38
DECLARATION OF THE ASSEMBLY OF HEADS OF STATE AND GOVERNMENT OF THE ORGANIZATION OF AFRICAN UNITY ON THE AERIAL AND NAVAL MILITARY ATTACK AGAINST THE SOCIALIST PEOPLE'S LIBYAN ARAB JAMAHIRIYA BY THE PRESENT UNITED STATES ADMINISTRATION IN APRIL 1986

SECURITY COUNCIL
Forty-fifth year

Letter dated 8 December 1990 from the Permanent Representative of the Libyan Arab Jamahiriya to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith a letter addressed to you by Mr. Ibrahim Muhammad Al-Bishary, Secretary of the People's Committee of the People's Bureau for Foreign Liaison and International Co-operation, concerning the transfer, by the United States of America, of Libyan prisoners from Chad to an unknown location.

I should be grateful if you would have the text of this letter circulated as an official document of the General Assembly, under agenda item 38, and of the Security Council.

(Signed) Ali A. TREIKI
Permanent Representative

ANNEX

Letter dated 8 December 1990 from the Secretary of the People's Committee of the People's Bureau for Foreign Liaison and International Co-operation of the Libyan Arab Jamahiriya to the Secretary-General

I have the honour to inform you that the United States of America on 7 December 1990 transferred 200 Libyan prisoners from Chad on board an aircraft of the United States Air Force to an unknown destination, against their will and against their wishes, under the protection of the French forces stationed at N'Djamena.

This act of international piracy by the United States constitutes a violation of the sovereignty of an independent State, a deliberate attempt to take advantage of the transitional situation in that State and an assault on international norms and conventions, since it is transferring this group of prisoners against their will and taking them as hostages in order to use them for political purposes.

These prisoners were forcibly removed, having been threatened, subject to the use of weapons by United States agents and with the co-operation of the French forces, that whoever refused to leave would be killed and his body thrown onto the road. Although the United States is not a party either to Chad's internal conflict or to the dispute between Libya and Chad, it has nevertheless taken the liberty of using its airborne troops to force the Libyan prisoners to leave for an unknown destination, without observing the most fundamental rights prescribed by international conventions on prisoners of war.

This action by the United States constitutes a shameful violation of international law, international norms, precepts on human rights and the Geneva Conventions concerning the treatment of prisoners.

In acting in this way, the United States is committing a flagrant act of aggression against Libya, which in itself constitutes disgraceful interference and a dangerous precedent.

The Great Socialist People's Libyan Arab Jamahiriya, proceeding from its right to defend its citizens in particular and human rights and international covenants in general, requests you to do your utmost to secure the release of these prisoners, to ensure that they return to their country and their families and to rescue those who are still being prepared for departure. Libya, meanwhile, has requested that an urgent emergency meeting of the Security Council be convened to discuss this matter.

I should be grateful if you would have this letter circulated as an official document of the United Nations.

Ibrahim Muhammad AL-BISHARY
Secretary of the People's Committee of the
People's Bureau for Foreign Liaison and
International Co-operation

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21992
10 December 1990
ENGLISH
ORIGINAL: ARABIC

LETTER DATED 10 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF THE LIBYAN ARAB JAMAHIRIYA TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to transmit herewith press communiqué No. 90/21 of the International Committee of the Red Cross (ICRC), dated 10 December 1990, stating the Committee's position with respect to Libyan prisoners in Chad. The communiqué indicates that ICRC was unable either to provide protection to the Libyans as it would have wished or to interview the prisoners before their departure, contrary to the assertions of the United States that the departure took place in the presence and with the agreement of the Committee.

I should be grateful if you would have this communiqué circulated as a document of the Security Council.

(Signed) Ali A. TREIKI
Permanent Representative

Annex

[Original: English]

Communication to the press No. 90/21
10 December 1990

LIBYAN PRISONERS IN CHAD: ICRC'S POSITION

Geneva (ICRC) - Following the recent events in Chad, a number of prisoners of war have been transferred or repatriated. The International Committee of the Red Cross (ICRC) has not been able to carry out protection work on their behalf as it would have wished. In particular, it was unable to interview the prisoners before their departure.

Since the outbreak of hostilities between Chad and Libya, the ICRC has been concerned about the plight of prisoners held by both sides. In spite of many oral and written representations, the previous government of Chad, in breach of the Third Geneva Convention, never allowed the ICRC to visit the prisoners it was holding. Only 53 of them were registered.

The ICRC trusts that in the near future it will be able to interview these prisoners without witnesses to ensure that their will was respected.

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21993
11 December 1990
ENGLISH
ORIGINAL: FRENCH

LETTER DATED 10 DECEMBER 1990 FROM THE CHARGE D'AFFAIRES A.I.
OF THE PERMANENT MISSION OF ALGERIA TO THE UNITED NATIONS
ADDRESSED TO THE SECRETARY-GENERAL

I have the honour to transmit to you herewith the text of a statement issued by the spokesman for the Ministry of Foreign Affairs of Algeria concerning the latest developments in the Gulf.

I should be grateful if you would have this letter and its annex distributed as a document of the Security Council.

(Signed) Amar BENDJAMA
Chargé d'affaires a.i.

Annex

Statement dated 7 December 1990 issued by the spokesman for the Ministry of Foreign Affairs concerning the latest developments in the Gulf

The decision by the Iraqi Parliament to release all the foreigners being held in Iraq and the launching of a direct dialogue between the United States of America and Iraq are positive developments which Algeria welcomes with satisfaction and hope.

Because they break away from the dangerous war mentality that had developed in recent weeks, these two initiatives can open the way for efforts to find a peaceful solution to the Gulf crisis, at a time when there are hopeful signs that the international community now recognizes that it must take serious, resolute responsibility for the question of Palestine.

Algeria is especially sensitive to the significance and implications of all these developments because, ever since the crisis erupted, it has been appealing to reason and working to promote a climate conducive to dialogue and negotiation.

The momentum for peace must be patiently maintained and strengthened, however, and Algeria intends to devote its future efforts to this task.

UNITED NATIONS

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General Assembly Security Council

Distr.
GENERAL

A/45/839
S/21994
11 December 1990

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Forty-fifth session
Agenda items 29, 70 and 143
THE SITUATION IN AFGHANISTAN AND ITS IMPLICATIONS FOR INTERNATIONAL PEACE AND SECURITY
IMPLEMENTATION OF THE DECLARATION ON THE PREPARATION OF SOCIETIES FOR LIFE IN PEACE
CONSIDERATION OF THE DRAFT ARTICLES ON THE STATUS OF THE DIPLOMATIC COURIER AND THE DIPLOMATIC BAG NOT ACCOMPANIED BY DIPLOMATIC COURIER AND OF THE DRAFT OPTIONAL PROTOCOLS THERETO

SECURITY COUNCIL
Forty-fifth year

Letter dated 10 December 1990 from the Permanent Representative of Pakistan to the United Nations addressed to the Secretary-General

Further to my letter dated 19 September 1990 (A/45/527-S/21801), I have the honour to report to you the following two incidents in violation of Pakistan territory from the Afghanistan side, which occurred on 20 and 28 November 1990:

"On 20 November 1990, at 1035 hours, the Kabul forces fired a missile which landed in the area Awal Khan in Khyber Agency. As a result, three houses were seriously damaged in the locality.

"Two Scud missiles fired by Kabul forces landed in the area Teri Mengal in Kurram Agency, at 1540 hours, on 28 November 1990. As a result of this barbaric attack, 11 people, including three Afghan refugees, were killed and 15 received serious injuries. Four civilian vehicles were also completely destroyed."

The Afghan Chargé d'affaires was summoned to the Foreign Office and asked to inform his Government that the responsibility for the serious consequences arising

from such deliberate and unprovoked attacks would rest entirely on the Kabul régime, and that the Government of Pakistan would take all necessary measures to defend the lives and properties of its citizens.

The Government of Pakistan has also rejected the protest of the Kabul régime, in which it was alleged that, on 12 November 1990, two Pakistani jet aircraft had violated the Afghan air space.

The Afghan Chargé d'affaires was informed that the Afghan allegation, after investigation, was found to be totally baseless.

I request you to have the present letter circulated as a document of the General Assembly, under agenda items 29, 70 and 143, and of the Security Council.

(Signed) Jamsheed K. A. MARKER
Ambassador and Permanent Representative

UNITED
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General Assembly Security Council

Distr.
GENERAL

A/45/841
S/21995
11 December 1990
ENGLISH
ORIGINAL: FRENCH

GENERAL ASSEMBLY
Forty-fifth session
Agenda items 23 and 35
QUESTION OF PALESTINE
THE SITUATION IN THE MIDDLE EAST

SECURITY COUNCIL
Forty-fifth year

Letter dated 10 December 1990 from the Chargé d'affaires a.i. of the Permanent Mission of Algeria to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the text of a declaration by the spokesman for the Ministry of Foreign Affairs of Algeria concerning the intifadah of the Palestinian people (see annex).

I should be grateful if you would have this letter and its annex circulated as a document of the General Assembly, under agenda items 23 and 35, and of the Security Council.

(Signed) Amar BENDJAMA
Chargé d'affaires a.i.

90-35108 1975i (E)

/...

ANNEX

Declaration by the spokesman for the Ministry of Foreign Affairs concerning the intifadah

For the fourth year in succession, the Palestinian people is continuing its heroic intifadah in the occupied territories. It thus adds a new page of glory to its history, which has been characterized by sacrifices and heroic resistance in spite of Israel's repressive practices.

While the Palestinian masses intensify their determined struggle to recover their usurped rights, thanks to a growing awareness on the part of the international community as to the justice of the Palestinian cause and the need to find a just and lasting solution thereto, Israel is continuing to violate human rights, to ride roughshod over United Nations resolutions and international law and to defy the will of the international community.

At a time of serious developments throughout the region with consequences for the question of Palestine, which constitutes the core of the Middle East conflict, it is essential to recognize the full significance of all these issues and to apply the same determination and seriousness in resolving them.

In this respect, the International Peace Conference on the Middle East remains the appropriate framework in which to address the various aspects of the question of Palestine. The convening of the Conference would invest the concept of the new international order with greater credibility.

Algeria, reiterating its full support for the Palestinian people in its heroic intifadah, invites the international community and the authority responsible for the maintenance of international peace and security fully to assume their responsibilities by using all the means entrusted to them under the Charter of the United Nations to ensure the protection of the Palestinian people and to oblige Israel to comply with international law.

Algeria reaffirms its solid conviction that a just, comprehensive and lasting settlement in the Middle East must be based on recognition of the legitimate and inalienable rights of the Palestinian people, including its right to self-determination and the establishment of its independent State in its territory.

Algiers, 7 December 1990

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21996
12 December 1990

ORIGINAL: ENGLISH

LETTER DATED 12 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVES OF AUSTRALIA, AUSTRIA, DENMARK, IRELAND AND SWEDEN TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

As troop contributors to the United Nations Peace-keeping Force in Cyprus (UNFICYP), we wish to convey to you again our grave concern at the continuing massive shortfall in the voluntary contributions required to provide the Force with adequate funding.

In his latest report on the operations of UNFICYP (S/21981), the Secretary-General observes that the accumulated deficit on the UNFICYP Special Account is estimated by now to be $171.6 million. The burden of financing the Force falls almost entirely on the handful of troop-contributing countries, which, under current arrangements, bear over 70 per cent of the total cost of the peace-keeping operation in Cyprus.

The Secretary-General also remarks in his report that UNFICYP has continued to fulfil its functions in an exemplary manner, often under difficult conditions, and that its presence in Cyprus remains indispensable. We fully share that view.

The responsibilities assumed by the Security Council in respect of UNFICYP are not, however, confined to the renewal of the mandate. The provision of a sound financial basis for the operation of the Force will ensure that it can contribute to the maintenance of the conditions necessary for a negotiated settlement between the two sides in Cyprus through the Secretary-General's mission of good offices.

On 30 May 1990, the President of the Security Council made a statement (S/21323), in which the members of the Council emphasized that peace-keeping operations must be launched and maintained on a sound and secure financial basis. On 15 June 1990, the President made another statement (S/21361), in which the members of the Council expressed their concern "at the chronic and ever-deepening financial crisis facing UNFICYP". We share that concern.

The Security Council, and its permanent members in particular, have a special responsibility to ensure the proper financing for the United Nations share of the costs of UNFICYP, as for all peace-keeping operations authorized by the Council.

In the absence of adequate voluntary contributions to UNFICYP, we believe that there can be no alternative to the provision of funding through assessed contributions by all Member States.

In this regard, we support fully the efforts of those UNFICYP troop contributors who are members of the Security Council - Canada, Finland and the United Kingdom of Great Britain and Northern Ireland - to have the Council adopt a resolution (S/21988) that would give effect to this overdue reform.

We urge the members of the Security Council to support this draft resolution without further delay.

We would be grateful if you would have the text of this letter circulated as a document of the Security Council.

(Signed) Peter WILENSKI
Ambassador
Permanent Representative
of Australia

(Signed) Peter HOHENFELLNER
Ambassador
Permanent Representative
of Austria

(Signed) Kjeld V. MORTENSEN
Ambassador
Permanent Representative
of Denmark

(Signed) Francis Mahon HAYES
Ambassador
Permanent Representative
of Ireland

(Signed) Jan ELIASSON
Ambassador
Permanent Representative
of Sweden

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21997
12 December 1990
ENGLISH
ORIGINAL: ARABIC

LETTER DATED 11 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF KUWAIT TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

On instructions from my Government, I hereby transmit to you the statement made by Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah, Deputy Prime Minister and Minister for Foreign Affairs, concerning reports of secret negotiations between Kuwait and Iraq:

"The reports of secret negotiations between Kuwait and Iraq are entirely unfounded. Kuwait has not engaged in any negotiations with Iraq, which is obdurately persisting in its crime and aggression against the will of the international community and the world as a whole by refusing to comply with international law, as represented in Security Council resolutions concerning the question of Kuwait. Accordingly, it is impossible under any circumstances for Kuwait to yield a single inch of its territory: this position is not open to bargaining or discussion. There is no alternative to the implementation of all the provisions of Security Council resolutions relating to the brutal Iraqi occupation of the State of Kuwait, first and foremost among which are:

1. The immediate, complete and unconditional withdrawal of Iraq from Kuwait;

2. The restoration of the legitimate authority to its functions;

3. Full compensation for the heavy losses of public and private property borne by Kuwait, its people and residents in its territory."

I should be grateful if you would have this letter circulated as a document of the Security Council.

(Signed) Mohammad A. ABULHASAN
Permanent Representative

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21998
12 December 1990
ENGLISH
ORIGINAL: ARABIC

LETTER DATED 11 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF KUWAIT TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

I have the honour to transmit to you herewith the text of the statement made by His Highness the Amir of Kuwait, Sheikh Jaber Al-Ahmad Al-Jaber Al-Sabah, on Human Rights Day, 10 December 1990.

I should be grateful if you would have this letter and its annex circulated as a document of the Security Council.

(Signed) Mohammed A. ABULHASAN
Permanent Representative

Annex

Statement made on Human Rights Day, 10 December 1990, by the Amir of Kuwait

God (May He be praised and exalted) has said in His unabrogated Holy Book, "We have honoured the Children of Adam and carried them on land and sea, and provided them with good things, and preferred them greatly over many of those We created."

This honour done by God is the basic source of all the principles of human rights the world is now striving to instil, preserve and defend and for the sake of which 10 December has been designated for the international observance of Human Rights Day. This Day enshrines an accord among the countries of the world on affirming the value of man and protecting human rights and human attainments, and this is an important civilizing value which reflects the progress made by human societies over the centuries.

By virtue of God's generosity to His servants, the past year has witnessed important events in this respect, as exemplified by the end of the cold war, the reduction of weapons of mass destruction and the achievement of genuine and constructive rapprochement among the major world Powers, which are to the benefit of all mankind.

While the world is witnessing these important developments in the direction of protecting human dignity and preserving human rights, we find that the very opposite is happening under the Iraqi occupation of Kuwait. Ever since the treacherous invasion took place, all aspects of human rights are being daily violated in Kuwait. This is exemplified by cases of extrajudicial executions, the mass murder of newborn children, random campaigns of arrest and the physical and mental torture to which prisoners and detainees are subjected and to which hundreds of innocent people have fallen victim. This is to say nothing of the intimidation that continues to be exercised by the Iraqi régime against hundreds of thousands of nationals and residents of Kuwait for the purpose of expelling them and displacing them from their homeland, after having robbed them and seized their property and their homes, in a desire to alter the demographic composition of the State.

Even a cursory reading of the reports issued by the Arab Organization for Human Rights shows that such rights have also for many years been violated in respect of the Iraqi people itself. The reports point to violations of individual civil and political rights, the total lack of citizens' rights and the violation of the right of the individual to self-expression, peaceful assembly and participation in the conduct of public affairs. The Organization has monitored numerous manifestations of human rights violations in Iraq, such as capital punishment, arrest, forcible expulsion and other such practices.

What is happening under the Iraqi régime in Kuwait and Iraq is incompatible with the enhancement of human inviolability, the discernment of human rights and the mercy and compassion for which the true Islamic religion calls. God has said that "... whoso slays a soul not to retaliate for a soul slain, nor for corruption

done in the land, shall be as if he had slain mankind altogether". God has forbidden man to oppress his brother, and He has commanded restitution for acts of injustice. God has said that "... for the evildoers there shall be no helper", and our Holy Prophet (Peace be upon Him) has said "Beware injustice, for injustice is darkness on the day of resurrection".

The fact that the countries of the world have supported our just cause is truly an affirmation of the rejection of aggression by man against his brother man just as it is an affirmation of the principles, values and usages which protect human rights against neglect and abuse. We call upon the countries of the world for increased cohesion in challenging tyranny in all its forms and demanding an immediate halt to all the savage acts being perpetrated by the Saddam régime against the Kuwaiti people. These countries should strive together for the fulfilment of the desire of the international community for the full and unconditional withdrawal of Iraqi forces from Kuwait, for the restoration of the legitimate Government and for compensation for the losses suffered by Kuwait as a result of the treacherous occupation.

On this occasion, I address to the Kuwaiti people, which is steadfast in the face of aggression and which cleaves to its land and the birthplace of its sons, a greeting of esteem and gratitude. I am living with you; I am suffering your pain; and I am awaiting the hour of deliverance. You, together with all our brothers living outside their homeland, must arm yourselves with faith and place your reliance in God Almighty, while bearing in mind that He has said "And We shall assuredly try you until We know those of you who struggle and are steadfast". God Almighty has spoken truly.

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/21999
13 December 1990
ENGLISH
ORIGINAL: ARABIC

LETTER DATED 13 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF JORDAN TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to inform you that the Jordanian Government has received reports to the effect that the Israeli authorities intend to allow the Israeli extremist group known as the "Temple Mount Faithful" to enter the precinct of the Haram al-Sharif in Jerusalem on Monday, 17 December 1990, and to hold a religious service inside the precinct.

In conveying this information to you, the Jordanian Government wishes to recall that the events which occurred in the precinct of the Haram al-Sharif on 8 October 1990, resulting in the martyrdom of 21 Palestinian nationals, and which are still under consideration by the Security Council, were, in their turn, the result of a similar act of provocation carried out by the very same group.

Accordingly, the Jordanian Government wishes to draw attention to the dangers of such an act of provocation and to its possible disastrous consequences if the Israeli authorities allow the said group to enter the precinct of the Haram al-Sharif. It requests the esteemed Council, as represented by yourself, to warn of the consequences of such practices in terms of a dangerous escalation of the situation in Jerusalem and the other occupied Arab territories and to endeavour to prevent them from occurring.

I should be grateful if you would also have this note circulated as a document of the Security Council.

(Signed) Abdullah SALAH
Permanent Representative

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/22000
14 December 1990

ORIGINAL: ENGLISH

Draft resolution

The Security Council,

Taking note of the report of the Secretary-General on the United Nations operation in Cyprus of 7 and 14 December 1990, 1/

Taking note also of the recommendation by the Secretary-General that the Security Council extend the stationing of the United Nations Peace-keeping Force in Cyprus for a further period of six months,

Noting that the Government of Cyprus has agreed that in view of the prevailing conditions in the island it is necessary to keep the Force in Cyprus beyond 15 December 1990,

Reaffirming the provisions of resolution 186 (1964) of 4 March 1964 and other relevant resolutions,

1. Extends once more the stationing in Cyprus of the United Nations Peace-keeping Force established under resolution 186 (1964) for a further period ending on 15 June 1991;

2. Requests the Secretary-General to continue his mission of good offices to keep the Security Council informed of the progress made and to submit a report on the implementation of the present resolution by 31 May 1991;

3. Calls upon all the parties concerned to continue to co-operate with the Force on the basis of the present mandate.

1/ S/21981 and Add.1.

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/22001
21 December 1990

ORIGINAL: ENGLISH

China, France, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland and United States of America: draft resolution

The Security Council,

Recalling Chapter XII of the Charter of the United Nations which established an international trusteeship system,

Conscious of its responsibility relating to strategic areas as set forth in Article 83, paragraph 1, of the Charter of the United Nations,

Recalling its resolution 21 (1947) of 2 April 1947, in which it approved the Trusteeship Agreement for the former Japanese Mandated Islands, since known as the Trust Territory of the Pacific Islands,

Noting that the Trusteeship Agreement designated the United States of America as Administering Authority of the Trust Territory,

Mindful that Article 6 of the Trusteeship Agreement, in conformity with Article 76 of the Charter, obligated the Administering Authority, inter alia, to promote the development of the inhabitants of the Trust Territory towards self-government or independence as may be appropriate to the particular circumstances of the Trust Territory and its peoples and the freely expressed wishes of the peoples concerned,

Aware that, towards this end, negotiations between the Administering Authority and representatives of the Trust Territory began in 1969 and resulted in the conclusion of a Compact of Free Association in the case of the Federated States of Micronesia and the Marshall Islands, and a Commonwealth Covenant in the case of the Northern Mariana Islands,

Satisfied that the peoples of the Federated States of Micronesia, the Marshall Islands, and the Northern Mariana Islands have freely exercised their right to self-determination in approving their respective new status agreements in plebiscites observed by visiting missions of the Trusteeship Council and that, in addition to these plebiscites, the duly constituted legislatures of these entities

have adopted resolutions approving the respective new status agreements, 1/ thereby freely expressing their wish to terminate the status of these entities as parts of the Trust Territory,

Hoping that the people of Palau will be able in due course to complete the process of freely exercising their right to self-determination,

Taking note of resolution 2183 (LIII) of the Trusteeship Council of 28 May 1986 and subsequent reports of the Trusteeship Council to the Security Council,

Determines, in the light of the entry into force of the new status agreements for the Federated States of Micronesia, the Marshall Islands and the Northern Mariana Islands, that the objectives of the Trusteeship Agreement have been fully attained, and that the applicability of the Trusteeship Agreement has terminated, with respect to those entities.

1/ See resolution No. 4-60 of the Congress of the Federated States of Micronesia (26 March 1986); resolution No. 62 N.D.-2 of the Nitijela of the Marshall Islands (18 February 1986); and resolution No. 76-1975 of the Fourth Mariana Islands District Legislature (20 February 1975).

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/22002
13 December 1990

ORIGINAL: ENGLISH

LETTER DATED 13 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF ROMANIA TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

I have the honour to submit to you a declaration of the Government of Romania on the evolution of the situation in the Gulf area.

I would appreciate it very much if you circulated the present letter and the attached declaration as a document of the Security Council under the agenda item entitled "The situation between Iraq and Kuwait".

(Signed) Aurel-Dragos MUNTEANU
Ambassador
Permanent Representative of Romania

ANNEX

Declaration of the Government of Romania on the evolution of the situation in the Gulf area

From the very beginning of the Gulf crisis, in early August 1990, the Government of Romania, expressing its deep concern regarding the use of force against Kuwait - an independent and sovereign State - resolutely asked for a cessation of military hostilities, for the immediate withdrawal of Iraqi military forces behind the national borders and for the settlement of the existing dispute by negotiations, on the basis of procedures provided for in the Charter of the United Nations.

The Romanian Government has joined without any reservations the efforts undertaken at international level for the settlement of the Gulf crisis, in particular within the framework of the Security Council both at the time when the presidency of that body was entrusted to the representative of Romania (in August), and in the subsequent period. Romania has directly participated in the elaboration and negotiation of 10 resolutions adopted to date by the Security Council on this grave crisis, resolutions which request essentially the respect for the independence, sovereignty and territorial integrity of Kuwait. At the same time, the Government of Romania has strictly implemented the embargo measures against Iraq decided by the Security Council, in spite of the fact that they have had strong negative consequences on the economy of the country, which is in a difficult period of transition.

Being animated by the wish to use fully the potential and the resources provided by the Security Council, as the main body of the world Organization which has the capacity to act for the peaceful settlement of conflicts between States, Romania was a co-sponsor of and voted in favour of Security Council resolution 678 (1990) of 29 November 1990. This resolution offers a pause of good will until 15 January 1991 for the implementation of the resolutions of the Security Council, and first of all for the withdrawal of Iraq from Kuwait and the restoration of its independence and sovereignty.

In the opinion of Romania, resolution 678 (1990) should provide a strong momentum for the efforts directed towards a peaceful settlement of the crisis. The pause of 45 days should be used for the exploration of all possible chances of peace in the Gulf. Emphasizing this very significance of its favourable vote, the Government of Romania proposed at the same time that the Security Council, the Secretary-General and all States should intensify their actions to arrive at such a solution, to give peace a chance to prevail in the area.

In this context, the Romanian Government welcomes with satisfaction the initiative of the Administration of the United States of America to start a direct dialogue with Iraq and expresses its sincere hope that it may lead to a political settlement, in accordance with international law and the resolutions of the Security Council. The Romanian Government welcomes also the diplomatic actions envisaged by the Council of Ministers of Foreign Affairs of States Members of the

European Economic Community, by the Minister for Foreign Affairs of France, by some Arab countries (Egypt, Syria, Saudi Arabia) as well as the continuation of diplomatic initiatives of the Soviet Union aiming at a peaceful settlement of the crisis.

At the same time, the Government of Romania has taken note with interest of the decision of the Iraqi leadership to free all foreign nationals stranded as hostages. This decision is in conformity with the provisions of Security Council resolution 674 (1990). The Government of Romania expresses its hope that this decision is a first step of the leadership of Baghdad on the way towards the implementation of the resolutions of the Council.

The Government of Romania is acting in the spirit of Security Council resolution 678 (1990). Having in mind that Romania is situated in the proximity of the area of conflict and could be profoundly affected, in particular at the economic level, by the consequences of a devastating military action and in the light of the responsibilities devolving upon it from its membership on the Security Council, the Government of Romania is determined to contribute, in its turn, to the efforts undertaken at the international level aimed at ensuring a peaceful settlement in the Gulf and implementing the provisions of the resolutions of the Security Council.

In the opinion of the Romanian Government, the settlement by negotiations of the Gulf crisis could pave the way for a fair political solution of problems which for decades have confronted the whole area of the Middle East, and that would contribute to the trends of détente and dialogue in international relations.

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General Assembly Security Council

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GENERAL

A/45/869
S/22003
14 December 1990
ENGLISH
ORIGINAL: ARABIC

GENERAL ASSEMBLY
Forty-fifth session
Agenda items 23, 35 and 75
QUESTION OF PALESTINE
THE SITUATION IN THE MIDDLE EAST
REPORT OF THE SPECIAL COMMITTEE TO
INVESTIGATE ISRAELI PRACTICES
AFFECTING THE HUMAN RIGHTS OF
THE PALESTINIAN PEOPLE AND OTHER
ARABS OF THE OCCUPIED TERRITORIES

SECURITY COUNCIL
Forty-fifth year

Letter dated 14 December 1990 from the Chargé d'affaires a.i. of the Permanent Observer Mission of Palestine to the United Nations addressed to the Secretary-General

I have been instructed by the Executive Committee of the Palestine Liberation Organization, which is invested with the authority and responsibilities of the Provisional Government of Palestine, to transmit to you the statement by the official spokesman of the Palestine Liberation Organization concerning the dangerous situation in occupied Jerusalem, with particular regard to the Haram al-Sharif.

I should be grateful if you would kindly arrange to have this letter and its annex circulated as a document of the General Assembly and of the Security Council.

(Signed) Nasser AL-KIDWA
Chargé d'affaires a.i.
Acting Permanent Observer
for Palestine to the
United Nations

ANNEX

Statement by the official spokesman of the Palestine Liberation Organization

For the past two days Israeli and international news services and media have been reporting Israeli preparations to desecrate the Holy Al-Aqsa Mosque and to perpetrate a further massacre among our Palestinian population in the Holy City of Jerusalem. They state that the so-called "Temple Mount Faithful" intend to visit the Haram al-Sharif on 17 December 1990 and to hold a ceremony there and that the Israeli Government has given its approval to their proposal.

The Palestine Liberation Organization reminds the international community and the Arab and Islamic worlds of the repugnant massacre carried out by the Israeli occupation forces against our people in Jerusalem, as a result of which 31 people were martyred and hundreds injured, on the same pretext as that now being advanced by the Israeli occupiers. On that occasion the Zionist group known as the "Temple Mount Faithful" was endeavouring to lay the foundation-stone of the temple in the Haram al-Sharif. The Palestine Liberation Organization holds the Israeli Government fully responsible for this fresh act of provocation and aggression, for which preparations are this time being made overtly and in public, and calls upon the world as a whole to assume its responsibility vis-à-vis this organized official escalation of Israeli terrorism against our Palestinian people.

The Palestine Liberation Organization affirms that the Israeli Government would not be embarking on preparations for this latest bloodthirsty plan if it had encountered official international deterrence, in the context of the Security Council, at the time of the first Jerusalem massacre. The fact that it was not so deterred was a result of the American Administration's defence of the Zionist occupation and of Israeli crimes and acts of aggression against our Holy Places and our Palestinian people in the occupied Palestinian territory.

The Palestine Liberation Organization calls upon the Security Council, and particularly its five permanent members, as well as the Secretary-General of the United Nations and the Chairman of the Committee on the Exercise of the Inalienable Rights of the Palestinian People to take a firm stand against this latest bloodthirsty plan.

The Palestine Liberation Organization affirms that the Palestinian people will resist this further brutal act of aggression in order to prevent the criminals from desecrating the Haram al-Sharif, which is the first of the two kiblahs and the third of the Holy Places.

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/22004
17 December 1990

ORIGINAL: ENGLISH

LETTER DATED 15 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF VIET NAM TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

In my letter dated 31 August 1990 (S/21696), I had already conveyed to the Secretary-General that the Government of the Socialist Republic of Viet Nam has been following with deep concern the situation in the Gulf region and that it hopes that the situation will soon be solved through peaceful means and within the framework of Arab countries. The Vietnamese Government will comply with Security Council resolution 661 (1990).

The strict implementation of Security Council resolution 661 (1990) has however given rise to special economic problems for Viet Nam. A memorandum outlining some of the adverse impact on Viet Nam's economy is enclosed (see annex).

Upon the instructions from my Government, I have the honour to request the Security Council and the United Nations for assistance in accordance with Article 50 of the Charter of the United Nations.

I should be grateful if this letter and its annex are circulated as a document of the Security Council.

(Signed) TRINH XUAN LANG
Ambassador
Permanent Representative
of Viet Nam to the United Nations

Annex

Memorandum on the economic, commercial and financial impact on Viet Nam resulting from restrictions on economic relations with Iraq and Kuwait

As an underdeveloped country whose economy was devastated during many years of war, Viet Nam's strict implementation of Security Council resolution 661 (1990) has had an immediate and serious impact on Viet Nam's fragile economy, especially at a time when Viet Nam has begun a renewal process with a view to transforming its economy from a system of bureaucratic and centralized management based on State subsidies into an economy of commodity production and at a time when Viet Nam has begun implementing the plan for the voluntary repatriation of Vietnamese refugees.

The following are some of the losses inflicted on Viet Nam's economy as a result of Viet Nam's strict implementation of Security Council resolution 661 (1990):

A. Direct impact	(United States dollars)
1. Losses in exports to Iraq	
(a) Goods already shipped but that could not reach Iraq	500 000
(b) Goods to be delivered as per contracts already signed but that now must be cancelled	6 500 000
(c) Value of contracts ready for signing with Iraq but that now will have to be dropped	3 500 000
2. Total loss for the Government of Viet Nam due to abrupt termination of contracts of 16,305 Vietnamese workers working in Iraq	112 602 290
3. Value of contracts already signed with Iraq for a further 10,000 Vietnamese workers to work in Iraq that are now suspended	53 080 000
4. Total value of loans and credits which Kuwait provided Viet Nam for the construction of an irrigation project and some other projects in the central highland areas of Viet Nam. All this has now been suspended	30 000 000

B. Indirect impact	(United States dollars)
1. Total local costs in Viet Nam incurred due to the return of 16,305 workers (costs in terms of settlement allowances, employment arrangements, job retraining, etc.)	8 528 600
2. Additional costs for oil imports until the end of 1990 owing to the increase in oil price	100 000 000
3. Additional costs incurred for imports of chemical fertilizers	12 500 000
4. Additional costs incurred for imports of various chemicals, plastics and iron, etc. (approximate)	50 000 000
Total	377 210 890

5. Other impact on the country's economy that can not be estimated yet:

(a) Transportation costs increased by:

(i) 70 per cent for road transport;

(ii) 13 per cent for rail transport;

(iii) 30 per cent for maritime transport;

(b) Additional production cost for coal mining (estimated increase from 80,000 Vietnamese dongs to 120,000 dongs per ton);

(c) Additional production cost for power generation (increased from 167 dongs/KW to 213 dongs)

The overall impact of the Gulf crisis on such an economy in transition as that of Viet Nam is extremely damaging. This is in terms not only of adverse effects on the country's socio-economic development efforts and plans, but also of direct effects on the current living conditions of the people.

It is in this context that Viet Nam seeks assistance from the United Nations and international agencies to overcome those difficulties.

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General Assembly Security Council

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A/45/876
S/22005
17 December 1990
ENGLISH
ORIGINAL: ENGLISH/FRENCH

GENERAL ASSEMBLY
Forty-fifth session
Agenda item 34
POLICIES OF APARTHEID OF THE
GOVERNMENT OF SOUTH AFRICA

SECURITY COUNCIL
Forty-fifth year

Letter dated 17 December 1990 from the Permanent Representative of Italy to the United Nations addressed to the Secretary-General

I have the honour to transmit the text, in English and French, of the statement on South Africa by the European Council issued on 15 December 1990.

I should be grateful if you would have the text of the present letter and its annex circulated as a document of the General Assembly, under agenda item 34, and of the Security Council.

(Signed) Vieri TRAXLER
Ambassador

ANNEX

Statement on South Africa issued on 15 December 1990
by the European Council

The Community and its member States have consistently followed developments in South Africa with the greatest attention and have given a favourable reception to the initiatives that have been taken to bring about the abolition of apartheid and the establishment of a united, non-racial and democratic South Africa. They have already expressed approval of the results of the talks between the Government and the African National Congress, in particular those of the Pretoria meeting in August, which opened the way to the negotiation of a new constitution.

They deplore the phase of serious violence through which South Africa is passing, which may endanger these developments. They welcome, however, further indications serving to confirm that the process of change already begun is going ahead in the direction advocated by the Strasbourg European Council. They have decided to continue to encourage this process.

Against this background, the European Council has decided that as soon as legislative action is taken by the Government of South Africa to repeal the Group Areas Act and the Land Acts, the Community and its member States will proceed to an easing of the set of measures adopted in 1986.

As of now, so as to contribute to combating unemployment and improving the economic and social situation in South Africa, and to encourage the movement under way aimed at the complete abolition of apartheid, the European Council has decided to lift the ban on new investments.

At the same time, the Community and its member States, with the objective of sending a clear signal of political support to the victims of apartheid, and intending to contribute to a new economic and social balance in South Africa, have agreed to strengthen the programme of positive measures and to adapt it to the requirements of the new situation, including requirements related to the return and resettlement of the exiles.

The Community and its member States hope in this way to be able to contribute to the speeding up of the process under way through sending to all the parties involved in negotiation a concrete sign of support for the establishment of a new South Africa, united, non-racial and democratic, and capable of resuming the place it deserves in the international community.

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General Assembly Security Council

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A/45/877
S/22006
17 December 1990
ENGLISH
ORIGINAL: ARABIC

GENERAL ASSEMBLY
Forty-fifth session
Agenda items 23 and 35
QUESTION OF PALESTINE
THE SITUATION IN THE MIDDLE EAST

SECURITY COUNCIL
Forty-fifth year

Letter dated 15 December 1990 from the Permanent Representative of Egypt to the United Nations addressed to the Secretary-General

I have the honour to transmit to you herewith the text of a statement issued by the Ministry of Foreign Affairs of Egypt on the occasion of the entry of the Palestinian intifadah into its fourth year.

I should be grateful if you would have this letter and its annex circulated as a document of the General Assembly, under agenda items 23 and 35, and of the Security Council.

(Signed) Amre M. MOUSSA
Ambassador
Permanent Representative

ANNEX

Statement on the Palestinian intifadah issued by the Ministry of Foreign Affairs of Egypt

Commenting on the advent of the third anniversary of the outbreak of the intifadah of the Palestinian people in the occupied Arab territories, an official source in the Ministry of Foreign Affairs stated that the entry of the valiant intifadah into its fourth year was an event that had important implications for progress towards a settlement of the Arab-Israeli conflict and of the question of Palestine. The official source went on to say that its most significant implication was that the Palestinian people, with the backing of the Arab peoples in general, did not accept any continuation of the status quo in the occupied Arab territories as represented by the occupation, particularly in the face of escalating Israeli violence in a vain attempt to suppress the intifadah. That was living proof of the indomitable desire of the Palestinian people to stand fast.

The source added that the endurance of the intifadah must convince the Israeli Government that it could not retain the territories and thwart the aspirations of the Palestinian people for the establishment of its own State in its own land.

The official source stressed that the need to reach a comprehensive and just settlement to the Arab-Israeli conflict and the question of Palestine in the framework of the resolutions of the United Nations had now become more pressing in the light of current international attitudes on the settlement of regional disputes. The official source expressed great hope for the resumption of the peace process immediately on the achievement of a settlement of the Gulf crisis.

The source stated that Egypt reaffirmed the importance of ensuring the security of all States and peoples in the region. There could be no stable peace in the Middle East as long as this goal was not achieved. The source pointed to the need for the States of the region to reach agreement, within the framework of the United Nations, on measures for the elimination of weapons of mass destruction from the Middle East.

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/22007
17 December 1990

ORIGINAL: ENGLISH

LETTER DATED 17 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF PAPUA NEW GUINEA TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to address you and the members of the Security Council on behalf of the Government of Papua New Guinea on the proposal for the partial termination of the Trusteeship Agreement for the Trust Territory of the Pacific Islands contained in document S/22001 dated 13 December 1990.

In May 1986, when the above proposal was put to the Trusteeship Council by the representatives of the relevant components of the Trust Territory of the Pacific Islands, my Government had the opportunity to indicate its support through a statement made by the Chairman of the South Pacific Forum members who were also Members of the United Nations on that occasion.

My Government believes that the peoples of Micronesia, including the Federated States of Micronesia, the Republic of the Marshall Islands and the Northern Mariana Islands, have freely chosen their respective forms of government, which are relevant to their particular circumstances.

The Government of Papua New Guinea was party to the South Pacific Forum's decision in 1987 at Tonga to admit both the Federated States of Micronesia and the Republic of the Marshall Islands as full members of the Forum, our paramount regional organization. To consolidate that position, the Government of Papua New Guinea established full diplomatic relations with the Governments of the Federated States of Micronesia and the Republic of the Marshall Islands immediately after that event.

The United Nations is rightly proud of its success in decolonization and, it too, is expected to ensure that its principles and practices on decclonization are fully met. In all, our guiding principle must be that the wishes of the peoples of the territories concerned must be paramount and they alone must be free to choose their future political status.

On this basis, I, on behalf of the Government of Papua New Guinea, commend to the Security Council the early adoption of a relevant resolution regarding the partial termination of the Trusteeship Agreement in respect of the Commonwealth of

the Northern Mariana Islands, the Federated States of Micronesia and the Republic of the Marshall Islands. It is our hope that Palau will reach this stage of political development in the near future.

I should be grateful if this letter could be circulated as a document of the Security Council and communicated to the President of the Trusteeship Council with a view to its circulation by that Council.

(Signed) Renagi R. LOHIA, OBE
Ambassador/Permanent Representative

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/22008*
18 December 1990
ENGLISH
ORIGINAL: FRENCH

LETTER DATED 7 DECEMBER 1990 FROM THE PRESIDENT OF THE TRUSTEESHIP COUNCIL ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

On behalf of the members of the Trusteeship Council, I have the honour to transmit to you herewith a draft resolution of the Security Council on the status of the Trust Territory of the Pacific Islands.

I should be grateful if you would submit this draft resolution to the members of the Security Council.

(Signed) Anne GAZEAU-SECRET
President of the Trusteeship Council

* Also issued as document T/1951.

Annex

[Original: English]

Draft resolution recommended for adoption by the Security Council

Partial termination of the Trusteeship Agreement for the Trust Territory of the Pacific Islands

The Security Council,

Recalling Chapter XII of the Charter of the United Nations, which established an international trusteeship system,

Conscious of its responsibility relating to strategic areas as set forth in Article 83, paragraph 1, of the Charter,

Recalling its resolution 21 (1947) of 2 April 1947, in which it approved the Trusteeship Agreement for the former Japanese Mandated Islands, since known as the Trust Territory of the Pacific Islands,

Noting that the Trusteeship Agreement for the Trust Territory of the Pacific Islands 1/ designated the United States of America as Administering Authority of the Trust Territory,

Mindful that article 6 of the Trusteeship Agreement, in conformity with Article 76 of the Charter, obligated the Administering Authority, inter alia, to promote the development of the inhabitants of the Trust Territory towards self-government or independence as may be appropriate to the particular circumstances of the Trust Territory and its peoples and the freely expressed wishes of the peoples concerned,

Aware that, towards this end, negotiations between the Administering Authority and representatives of the Trust Territory began in 1969 and resulted in the conclusion of a Compact of Free Association in the case of the Federated States of Micronesia and the Marshall Islands, and a Commonwealth Covenant in the case of the Northern Mariana Islands,

Satisfied that the peoples of the Federated States of Micronesia, the Marshall Islands and the Northern Mariana Islands have freely exercised their right to self-determination in approving their respective new status agreements in plebiscites observed by visiting missions of the Trusteeship Council and that, in

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1/ Trusteeship Agreement for the Trust Territory of the Pacific Islands (United Nations publication, Sales No. 1957.VI.A.1).

addition to these plebiscites, the duly constituted legislatures of these entities have adopted resolutions approving the respective new status agreements, 2/ thereby freely expressing their wish to terminate the status of these entities as parts of the Trust Territory,

Hoping that the people of Palau will be able in due course to complete the process of freely exercising their right to self-determination,

Taking note of resolution 2183 (LIII) of the Trusteeship Council of 28 May 1986 and subsequent reports of the Trusteeship Council to the Security Council,

Determines, in the light of the entry into force of the new status agreements for the Federated States of Micronesia, the Marshall Islands and the Northern Mariana Islands, that the objectives of the Trusteeship Agreement have been fully attained, and that the applicability of the Trusteeship Agreement has terminated, with respect to those entities.

2/ See resolution No. 4-60 of the Congress of the Federated States of Micronesia (26 March 1986); resolution No. 62 N.D.-2 of the Nitijela of the Marshall Islands (8 February 1986); and resolution No. 76-1975 of the Fourth Mariana Islands District Legislature (20 February 1975).

UNITED
NATIONS

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Security Council

Distr.
GENERAL

S/22009
18 December 1990

ORIGINAL: ENGLISH

LETTER DATED 18 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF VANUATU TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour, on behalf of the States Members of the United Nations that are also members of the South Pacific Forum, namely Australia, Fiji, New Zealand, Papua New Guinea, Samoa, Solomon Islands and Vanuatu, to address you and members of the Council on the proposal for the partial termination of the Trusteeship Agreement for the Trust Territory of the Pacific Islands, contained in document S/22008.

When the proposal for partial termination came before the Trusteeship Council itself in May 1986, I had the honour to speak on behalf of the South Pacific Forum members of the United Nations in that regard. In that statement, we affirmed the call made to the Council by representatives of the component parts of the Trust Territory of the Pacific Islands for partial termination of the trusteeship.

It was the view then of our respective Governments, and remains so today, that the peoples of Micronesia had, through various acts of self-determination and under the guidance of the United Nations, freely chosen forms of government most suited to their particular circumstances. The Micronesian States had already begun participating in South Pacific regional and other organizations. That process has continued, and the Federated States of Micronesia and the Republic of the Marshall Islands became full members of the South Pacific Forum in 1987. The two other entities, the Commonwealth of the Northern Mariana Islands and Palau participate in other regional organizations.

The South Pacific Forum countries on behalf of whom I write have all accorded full recognition to the Federated States of Micronesia. The majority have also accorded recognition to the Republic of the Marshall Islands. The fact that not all have been able to do so points to a major difficulty faced by those two States. International recognition is an essential part of the process of nation-building in the Pacific, and indeed elsewhere. The lack of Security Council approval of termination of the Trusteeship Agreement for the affected States of the Trust Territory is seen by some as an impediment to recognition of the Federated States of Micronesia and the Republic of the Marshall Islands as sovereign self-governing nations.

It is the view of our Governments that the freely made decisions of the peoples of the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia and the Republic of the Marshall Islands with regard to their political future, as noted by the Trusteeship Council in its resolution 2183 (LIII) of 28 May 1986, should be accepted by the Security Council and the Trusteeship Agreement in respect of those entities terminated.

We look forward to the day when the fourth entity of the Trust Territory of the Pacific Islands, Palau, also freely determines its own political future. The United Nations is rightly proud of its role in the decolonization process. The guiding principle is, in our view, that the wishes of the people of the Territories concerned must be paramount and that they must be free to choose their future as and when they wish. It is on precisely that basis that the Governments on whose behalf I write, commend to the Security Council the early termination of the Trusteeship Agreement in respect of the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia and the Republic of the Marshall Islands.

We should be grateful if you would have this letter circulated as a document of the Security Council and communicated to the President of the Trusteeship Council with a view to its circulation by that Council.

(Signed) Robert F. VAN LIEROP
Ambassador
Permanent Representative

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18 December 1990

ORIGINAL: ENGLISH

LETTER DATED 17 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF THE ISLAMIC REPUBLIC OF IRAN TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

Upon instructions from my Government and with reference to our letter of 12 November 1990, I have the honour to inform you that, as of 23 November 1990, 430 persons had been arrested while trying to smuggle some foodstuffs and other goods to Iraq.

It would be highly appreciated if this letter were circulated as a document of the Security Council.

(Signed) Kamal KHARRAZI
Ambassador
Permanent Representative

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18 December 1990

ORIGINAL: ENGLISH

LETTER DATED 18 DECEMBER 1990 FROM THE PERMANENT REPRESENTATIVE OF THE PHILIPPINES TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to refer to document S/21712 dated 5 September 1990, relative to my Government's decision to enter into consultations with the Security Council in accordance with Article 50 of the Charter of the United Nations.

In that regard, my Government submitted on 14 November 1990 to the Working Group of the Security Council Committee established by resolution 661 (1990) a memorandum on the economic, financial and commercial consequences on the Philippines of the imposition of sanctions against Iraq and occupied Kuwait.

I would appreciate it very much if you could cause the circulation of the present letter and the aforementioned memorandum as a document of the Security Council.

(Signed) Sedfrey A. ORDONEZ
Ambassador
Permanent Representative

Annex

Memorandum dated 14 November 1990 on economic, commercial and financial impact on the Philippines of the application of sanctions against Iraq and Kuwait

The unfortunate situation between Iraq and Kuwait and the subsequent implementation of Security Council resolution 661 (1990) have had a direct and severe impact on the Philippine economy, at a time when the country had just suffered massive devastation caused by the earthquake that hit the main island of Luzon on 16 July 1990.

That temblor caused damage to public infrastructure amounting to 10.1 billion Philippine pesos ($US 404 million) and to private properties amounting to 800 million pesos ($32 million). Damaged infrastructure includes roads and bridges, public buildings, water resources and other structures, which directly contribute to the production and distribution of output and which will need immediate reconstruction and rehabilitation if the economy is to be put back on track.

The quake also caused losses in agricultural production amounting to 1.19 billion pesos ($47.6 million). Losses were most substantial for rice (670 million pesos) and fisheries (343 million pesos). These include actual losses, plus opportunity losses arising from: (a) lower yields owing to the non-availability of fertilizers in Cagayan Valley, a major rice-producing region, partly as a result of the closure of the collapsed Dalton Pass, a major road artery, and inadequate water supply caused by heavily damaged irrigation system; and (b) unmarketed output owing to landslides or repairs on production facilities.

Because of damage to two major mines in the Cordillera area, real growth in the mining and quarrying sector will be lower by 0.6 percentage point than the previous estimate of 5.2 per cent for 1990.

The damage to the Baguio Export Processing Zone, which accounts for $213 million or 39 per cent of the total output of all export processing zones, is expected to result in lower growth of exports of goods and services in real terms, from 7.8 per cent to 6.2 per cent in 1990.

The economic havoc wrought by the 16 July 1990 earthquake has come at a time when the Philippine economy was already considerably weakened by a protracted drought during the first months of the year. This dry spell caused huge declines in the production of such staple crops as rice and corn. The drought also caused a shortage of hydroelectric power during the first semester, which helped to bring about the earlier energy crisis during the summer months. With very frequent power outages, industrial production slowed and economic growth decelerated.

Against this dire background, the crisis in the Gulf and its aftermath come as another heavy blow on a saddled Philippine economy. Among the serious adverse consequences on the Philippines of restrictions on trade and commerce with Iraq and occupied Kuwait are the following.

Problem of identifying alternative sources of oil

The Philippines is almost completely dependent on imports, largely from the Gulf region, to meet its oil requirements. During the first five months of 1990, the Philippines imported from Kuwait 8.1 million barrels (or 22.01 per cent of its total imports) of petroleum and crude oils as well as 198 million barrels (or 48.24 per cent of its total imports) of bunker fuel oil. The Philippines also imports about 3 per cent of its annual oil requirements from Iraq, albeit indirectly and mainly through Singapore.

On an annual basis, about one quarter of total Philippine oil supplies became unavailable immediately following the imposition of United Nations sanctions. As a result of this, major industrial and manufacturing concerns in the country, anticipating oil-supply disruptions, higher fuel costs and power insufficiency - since about 65 per cent of electric power in the Philippines is oil-generated - have been forced to scale down production or postpone investments. These decisions have already entailed increased unemployment woes.

The Philippines acknowledges with deepest gratitude the extension of its existing oil contracts with Saudi Arabia and the Islamic Republic of Iran, which together supply about one half of the Philippines total oil requirements. However, it must still identify alternative oil sources to meet the shortfall in the oil supply.

Effects of the oil price rise

Before the current Gulf crisis, the Philippines expected to spend $1.2 billion on imported oil for the whole of 1990, based on an average price of $16 per barrel. Should the price of oil average $35 per barrel during the rest of the year, however, the country would have to spend at least $475 million more for the same volume.

The increase in the price of oil has caused an upward movement in the inflation rate to around 16 per cent per annum, from the previously projected rate of 11.7 per cent for 1990.

Since the start of the Gulf crisis, the peso-United States dollar exchange rate has deteriorated by 7.9 per cent from the end-July level of 23.86 pesos to the dollar to 25.75 pesos to the dollar as at 26 October 1990. For the first nine months of the year, the peso depreciated by 13.5 per cent against the United States dollar, compared with the 3.0 per cent full-year depreciation in 1989.

The oil price increase has also further exacerbated the already precarious balance-of-payments situation in the Philippines. In 1989, oil imports amounting to $1.1 billion constituted 10.7 per cent of total imports; these are now expected to account for 15 per cent of total imports in 1990.

Drop in remittances

Owing to the displacement of 65,000 Filipino workers in Kuwait and Iraq, foreign exchange receipts from workers' income remittances - excluding those not channelled through the banking system - are estimated to decline by $190 million in 1990, $300 million in 1991 and $330 million in 1992.

In addition, the overseas employment industry (private sector) would stand to lose foreign exchange earnings from service fees paid by foreign principals amounting to $300,000 for 1990.

Repatriation cost and unemployment

The Philippine Government, with assistance from the International Organization for Migration and foreign Governments, has had to shoulder the high costs of evacuating Filipino workers from Kuwait and Iraq. Based on prices as at 5 September 1990, a single flight carrying 380 passengers from Amman/Dubai to Manila costs the Philippine Government $352,630. Some $30 million would therefore have to be expended if a mere half of all Filipinos in Kuwait and Iraq were flown to Manila.

Kuwait was the fifth largest absorber of Filipino overseas workers in the Middle East. A total of 102,332 Filipino workers were deployed there from 1984 to 1989. Annually, deployment of Filipino workers in Kuwait averaged 6.74 per cent of total deployment in the Middle East; that in Iraq averaged about 1 per cent.

Complete or even partial repatriation of the 65,000 Filipino workers in the two countries would have deleterious effects on the Philippine economy. On average, five Filipino dependants per displaced worker would also suffer their breadwinner's dislocation. Labour surpluses in the key industrial sectors of construction, industrial operations and maintenance and medical, hotel and retailing services would exacerbate further the poor absorption of underemployed rural manpower.

In sum, while the July 1990 earthquake devastated mainly the agriculture and services sectors of the Philippine economy, the Gulf crisis has held hostage the growth prospects of the country's oil-dependent industrial sector. With the combined impact of these two events considered, overall Philippine economic growth is expected to drop from a projected 4.8 per cent to less than 3.5 per cent for 1990, as against last year's 5.7 per cent.

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GENERAL ASSEMBLY
Forty-fifth session
Agenda item 23
QUESTION OF PALESTINE

SECURITY COUNCIL
Forty-fifth year

Letter dated 18 December 1990 from the Chairman of the Committee on the Exercise of the Inalienable Rights of the Palestinian People addressed to the Secretary-General

In my capacity as Chairman of the Committee on the Exercise of the Inalienable Rights of the Palestinian People, I wish to condemn the resumption by Israel, the occupying Power, of its policy of deporting Palestinians from the occupied Palestinian territory.

According to The New York Times of 16 and 17 December 1990, the Israeli Defence Minister has ordered the deportation of four residents of the Gaza Strip suspected of being middle-ranking leaders of Hamas (the Islamic Resistance Movement). They are Imad al-Almi, 34 years old, of Gaza City; Fadel Zaabut, 36, a teacher at the Islamic College in Gaza City; Mustafa al-Lidani, 25, of Jabaliya refugee camp; and Sheik Mustafa Knuah, 45, also of Jabaliya. The deportations were ordered following the slaying of three Israeli workers in Jaffa on 14 December. No specific charges, however, have been brought against the four Palestinians. In its search for the perpetrators of the killing, the Israeli army is reported to have arrested more than 1,000 Palestinians in the West Bank and the Gaza Strip over the weekend, in the largest sweep since the early days of the intifadah.

The New York Times also reported that the Israeli Defence Minister has pledged to deport more Palestinians from the occupied Palestinian territory in the future. Since the beginning of the intifadah, Israel has deported at least 59 Palestinians, in violation of the relevant provisions of the Geneva Convention relative to the Protection of Civilian Persons in Time of War of 12 August 1949 and several resolutions of the Security Council.

The Committee on the Exercise of the Inalienable Rights of the Palestinian People is gravely concerned at the escalation of violence in the occupied

Palestinian territory and at the increasing imposition of collective punishment measures against the Palestinians by the Israeli authorities. Following the events in Jerusalem in early October, Israel has repeatedly closed the occupied Palestinian territory, preventing Palestinians from entering Israel and Jerusalem. On 20 November, the Jerusalem Post reported that 10,000 Palestinians previously jailed during the intifadah, would be issued green identity cards barring them permanently from entering Israel. According to the Washington Post of 15 December 1990, thousands of workers have been dismissed, and their jobs taken over by Jewish immigrants from the Soviet Union. Reuters reported on 21 November 1990 that military authorities were again stepping up punitive house demolitions, and that 11 houses had been destroyed and 8 sealed in the West Bank and Gaza Strip in the preceding two weeks. Al Fajr of 3 December 1990 reported that four Palestinian universities in the West Bank and Gaza Strip, closed since the beginning of the intifadah, were ordered closed for another three months in early December. On 12 December 1990, it was reported by Ha'aretz that a new tactic had been adopted of stationing military sharpshooters in hidden places in the West Bank in order to shoot stone-throwers.

These increasingly repressive measures are being taken against a background of total intransigence by the Israeli Government towards efforts to promote a just political settlement. The Committee on the Exercise of the Inalienable Rights of the Palestinian People strongly deplores statements made by Mr. Yitzhak Shamir, Prime Minister of Israel, in late November reportedly expressing his Government's commitment to the ideal of an Israeli State from the Mediterranean Sea to the Jordan River and linking the continuation of occupation with the need to absorb Jewish immigrants from the Soviet Union and elsewhere.

In light of these very disturbing developments, the Committee wishes to reaffirm the imperative need to provide effective protection for the Palestinians in the occupied Palestinian territory and to promote a comprehensive, just and lasting settlement of the question of Palestine, the core of the Middle East conflict, through the convening of the International Peace Conference on the Middle East, as reaffirmed by the General Assembly in its resolution 45/68 of 6 December 1990.

I should be grateful if you would arrange for this letter to be circulated as a document of the General Assembly, under agenda item 23, and of the Security Council.

(Signed) Absa Claude DIALLO
Chairman of the
Committee on the Exercise of
the Inalienable Rights of the
Palestinian People

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S/22013
19 December 1990

ORIGINAL: ENGLISH

LETTER DATED 19 DECEMBER 1990 FROM THE CHARGE D'AFFAIRES OF THE PERMANENT MISSION OF INDIA TO THE UNITED NATIONS ADDRESSED TO THE PRESIDENT OF THE SECURITY COUNCIL

I have the honour to forward herewith a memorandum on the economic, commercial and financial impact on India resulting from restrictions on economic relations with Iraq and Kuwait. This memorandum was earlier addressed, on 5 November 1990, to the Chairman of the Working Group of the Security Council Committee established by resolution 661 (1990) concerning the situation between Iraq and Kuwait.

I would be grateful if the memorandum could be circulated as a document of the Security Council.

(Signed) Prabhakar MENON
Acting Permanent Representative

Annex

Letter dated 5 November 1990 from the Deputy Permanent Representative of India to the United Nations addressed to the Chairman of the Working Group of the Security Council Committee established by resolution 661 (1990) concerning the situation between Iraq and Kuwait

In continuation of the letter dated 5 September 1990 from the Permanent Representative of India to the United Nations addressed to the President of the Security Council on the special economic problems India faces in implementing Security Council resolution 661 (1990), I have the honour to forward herewith an updated memorandum on the economic, commercial and financial impact on India resulting from restrictions on economic relations with Iraq and Kuwait.

(Signed) Prabhakar MENON
Ambassador, Deputy
Permanent Representative

Enclosure

Memorandum on the economic, commercial and financial impact on India resulting from restrictions on economic relations with Iraq and Kuwait

The present crisis in the Gulf has had both an immediate dislocating impact on, and longer-term adverse impacts for, India's economy. The impact is most severely felt on India's balance of payments, coming at a time when India was already under strain as a result of ongoing debt repayments.

Whatever growth achievements India was able to record during the 1980s, and was working towards and anticipating for the 1990s, are today in danger of being jeopardized as a result of the developments in the Gulf. The implications for a low per capita income country like India are greater than for developed or developing countries with higher per capita incomes.

The implementation of United Nations Security Council resolution 661 (1990) has affected vital sectors of India's economy. The following are the areas most affected:

(a) The non-availability of oil and its impact on industry and agriculture;

(b) The additional demand for foreign exchange to meet the rise in oil prices, affecting the balance of payments;

(c) The loss of revenue resulting from a sharp drop in exports;

(d) A significant drop in remittances from Indian expatriates;

(e) The costs of repatriation and rehabilitation of Indian expatriates displaced from Kuwait and Iraq;

(f) Social costs, with their impact on unemployment as a result of the above.

A. Availability of oil

India's domestic production of crude oil and petroleum, oil and lubricants (POL) is required to be supplemented by regular imports to meet the demands of its growing economy. With rapid industrial and agricultural growth taking place in India, consumption levels are progressively rising.

India's annual import requirement of crude oil and products for 1990-1991 is 24.28 million tons, supplies for which had been tied up for the year on the basis of an average price of $US 17 per barrel. Of this amount, 8.75 million tons of oil and 1.2 million tons of superior kerosene oil were expected to be supplied from Iraq and Kuwait. India has been trying to identify alternative sources of supply for crude oil of specific grades and of appropriate quality compatible with Indian

refineries. The uncertainty of supply is affecting industrial activities and agricultural production. This would also lead to a speculative rise in overall prices apart from the medium- and long-range trend towards an increase in oil prices. There are also likely to be additional costs related to obtaining the petroleum, oil and lubricants required, if crude of appropriate quality is not available.

B. Rise in price of oil

India has also been affected by the sharp rise in oil prices that has already taken place. Should this price increase further, the adverse impact would be cumulative. For 1990-1991, India has budgeted for the import of 24.28 million tons at a cost of $US 3,555 million on the basis of $US 17 a barrel. It has been estimated that for every dollar increase in oil prices above the $17 per barrel, India's import bill would increase by $US 222 million. If the price level of $US 28 per barrel is projected for the year, the increase in India's import bill would amount to an additional approximate $US 2.4 billion. This would place an almost unbearable strain on its fragile foreign exchange reserve position.

C. Loss in export earnings

Iraq and Kuwait have been major trading partners for India. Commodity exports to both countries during the past year were around $US 180 million. In addition, exports were showing a significant increase in recent years. Over the past few years, projected exports to Iraq accounted for over 60 per cent of India's total projected exports, valued at $US 2.7 billion. India is also to receive over $400 million as dues from Iraq, of which $85 million was due in 1990 alone. As a result of the crisis, there will not only be a total loss of $265 million during the current year to the Exchequer, but the dislocation of business and the impact on manufacturers, growers and exporters will be considerable.

D. Drop in remittances

It is estimated that about 200,000 Indians were employed in different capacities in Iraq and Kuwait. These expatriates were responsible for remittances to India to the extent of approximately $US 389 million per annum. The imposition of restrictions on these countries resulted in an exodus of Indian workers. This has resulted in the complete stoppage of current remittances and the blocking of funds which would be used for remittances in the future and has drastically reduced prospects for future remittances even after and in the case of resumption of such remittances.

E. Repatriation and rehabilitation of stranded migrant workers

An estimated 200,000 Indian workers were stranded in Iraq and Kuwait. The Indian Government engaged in a mammoth exercise of repatriating its nationals. The cost of repatriating 130,000 nationals came to $US 200 million.

It is estimated that the cost of rehabilitating 130,000 displaced nationals from the Gulf would be in the vicinity of $US 720 million, taking into account the fact that the returning migrants would have left behind considerable assets and would need to start totally anew.

F. The prolongation of the Gulf crisis

An assessment of the dimensions of the Gulf crisis on India's economy is subject to tremendous uncertainties with respect to how soon the Gulf crisis will be resolved and in what manner. If the crisis remains unresolved, the severity of the impact on India's economy will continue to make itself evident. Some assessment of the impact on the balance of payments is already possible.

Assuming that the average crude oil price in the next 12-month period is around $25 per barrel, as against a projected base price of $18 in the absence of the Gulf crisis, the direct additional cost of petroleum, oil and lubricants imports will come to about $US 2.4 billion; if the average cost during 1991 is around $US 28 per barrel, the total additional outflow on this account would be around $US 3.6 billion.

The loss in remittance flows for the next year, assuming no further growth, would remain at $US 200 million at least.

The loss in exports in goods and services for 1991 would be in the vicinity of at least $300 million if one calculates only the total loss of the Iraqi and Kuwaiti markets.

G. Conclusion

For the next year, therefore, and on the basis of very conservative estimates, the impact on India's balance of payments is likely to be in the region of $US 2.8 billion. These estimates must be viewed as tentative and subject to correction in the light of developments in the Gulf region. There would furthermore be various other economic, political and social costs, difficult to quantify at the moment, unless the shock to the balance of payments is reduced.

While the Indian economy has inherent reserves of strength owing to its size, sources of raw material, entrepreneurial skills, industrial infrastructure, etc., the Gulf crisis will have a major adverse impact on its industrial and agricultural growth, on price levels and on the Government's ability to implement the current trend towards economic liberalization. It is further to be noted that the major impact of the crisis has been on India's balance of payments owing to a sharp escalation in the price of oil.

India is seeking ways to deal with the situation. Without massive external assistance, however, India's developmental efforts will receive a severe setback. India cannot, by itself, find short-term solutions to counter this crisis.

It is in this context that India seeks relief, particularly in the areas identified above, by means of an increase in the availability of oil and financial compensation. The international community can help low per capita income countries like India specifically by ensuring that the oil required by them is available at lower price levels.

Appendix I

Adverse economic impact of the Gulf crisis on India during the current year: 1990

(In millions of United States dollars)

Additional POL bill (at $US 24 per barrel)	1 660
Loss in remittances	200
Loss in export of goods and services	265
Repatriation of 130,000 persons	200
Rehabilitation (on the basis of demands from States) (over 2 years)	720
Total	3 045

Appendix II

Anticipated impact on balance of payments for 1991

(In millions of United States dollars)

Petroleum, oil and lubricants at $25 per barrel	2 360 a/
Loss in remittances	200
Loss in exports of goods and services	300
Total	2 860

a/ At the average rate of $US 28 per barrel, this figure is likely to be $US 3.6 billion.